

JUDSON H. HILL, ESQ.

August 24, 2019

By ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Sage Telecom Communications, LLC and Telscape Communications, Inc. d/b/a TruConnect Notice of Oral Ex Parte Presentation; WC Docket No.17-287, 11-41, 10-90 and 18-213.

Dear Ms. Dortch:

On August 22, 2019 I, counsel to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively TruConnect) communicated with Commissioner Geoffrey's Chief of Staff and Legal Advisor, William Davenport, as well as Randy Clark Acting Legal Advisor for Wireline and Public Safety (by telephone) to discuss the pending Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study filed by CTIA, the National Consumer Law Center, National Hispanic Media Coalition, OCA – The Asian Pacific American Advocates and the United Church of Christ, OC, Inc.¹ and the Commission's Promoting Telehealth for Low-Income Consumers Notice of Proposed Rule Making.²

During the call I discussed our strong support for the pending Joint Petition and reminded them that TruConnect recently filed supportive comments. I emphasized that the record clearly demonstrates the substantial and broad support, which we share, for both proposals advocated for in the Joint Petition, i.e. to pause any increases in the mobile broadband minimum service standards and retain full Lifeline support for the standalone voice and voice centric bundles, until the Commission can study the impact of such changes on access to and affordability of Lifeline services for low-income consumers and then report on such findings in the forthcoming *State of the Lifeline Marketplace Report* due June 2021. I emphasized that the Petition drew no opposition. In fact, several veterans group and even the National Association of Regulatory Utility Commissioners ("NARUC") unanimously passed a resolution to support the relief requested in the Joint Petition.³

I shared our support of and the importance of both the Commission's Rural Broadband and proposed Telehealth Pilot initiatives plus how critical telecommunications connectivity is to America's economic development and job creation, to be able to access to world class healthcare and also to access emergency first responders. I also reminded them how many low-income Americans, many elderly and lower income veterans depend on the Lifeline program services for a call back for a job application or

¹ See Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket No. 11-42 et al. (filed June 27, 2019) ("Joint Petition").

² See *Federal Communications Commission Promoting Telehealth for Low-Income Consumers*, released by the Federal Communications Commission WC Docket No. 18-213, FCC 18-112 (rel. Aug. 3, 2018).

³ See Resolutions Passed by The Board of Directors at The 2019 Summer Policy Summit Of The National Association of Regulatory Utility Commissioners (July 24, 2019), specifically TC-1 "*Resolution on the Lifeline National Verifier Launch and Minimum Service Standards*" ("NARUC Resolution") ¶ 17.

access to healthcare providers. I especially emphasized that the success of the Commission's rural broadband and especially telehealth pilot could very well be jeopardized by the decline of the Lifeline program participation and the anticipated impact expected by the recently noticed near 500 percent increase (2Gb to 8.75Gb) in the mandated broadband minimum service standards, the minimum required broadband data usage allowance coming December 1, 2019.⁴ During the meetings I noted that a survey of carriers' current mobile broadband retail prices for approximately 8.75Gb of monthly data costs approximately \$40 or more per month.⁵ If the FCC Bureau does not immediately act to grant the Joint Petition to prevent this new data standard from going into effect December 2019, then Lifeline subscribers could expect an approximate \$30 per month immediate price increase causing many otherwise eligible subscribers to drop out of the program. Many states require that ETCs notify their customers at least 30 days in advance of any price change. Therefore, it's important for the Commission to take immediate action to avoid triggering the state notification requirements, and moreover, the pending negative impact of Americans who truly need a lifeline.

Raising the monthly Lifeline cost three or four times will make the plans unaffordable to many low-income consumers. The neediest of low-income Americans – many Lifeline subscribers – will then lose access to better jobs, healthcare and first responders; the Commission's telemedicine and rural broadband initiatives will be jeopardized and likely suffer. I also shared that there are real and immediate consequences to consider.

I further noted that since the Commission already recognizes the need to conduct a *Lifeline Marketplace Report*, the Commission should consider its own reasoning and pause the implementation of the December 2019 minimum standard increase to permit more time to make a more informed data supported decision after this Report is published. I also reminded them that there have been numerous changes in technology and in the market since the 2016 *Lifeline Modernization Order* creating minimum data standards.⁶ It is important to note that there is not risk or harm to consumers or the Commission in granting the Joint Petition, whereas the alternative is very risky indeed.

Then I emphasized that at the 2Gb data allowance level, Lifeline subscribers are not left behind. 2Gb is sufficient to fully utilize telehealth applications. In fact, 2Gb is well within the normal monthly data usage for private payers. In spite of unlimited post-paid data plans, even Verizon Wireless reports that its subscribers only use an average between 1 and 2Gb of data per month;⁷ nothing even close to 5, 6, 7 or 8Gb per month. I then shared that most current Lifeline mobile wireless offerings are robust and in no way second class. TruConnect and many other Lifeline wireless resellers currently offer 4G LTE handsets.

We also discussed the status of the National Verifier and TruConnect's strong support, combined with support from other industry members, to maintain or return to soft launch roll out status, whichever is applicable. Until all state and federal databases that are needed for verification, I noted that states should not be required to proceed to National Verifier hard launch. I also shared that until the necessary API solution are fully implemented, tested and operational in every state to enable a Lifeline ETC to electronically interface with the verifier, then its logical and necessary to first complete the necessary technology improvements. National Verifier updates that merely change the method ETCs communicate with the verifier program without creating real time interfaces with a one-step, rather than multiple step, process is best for subscribers and ETCs.

⁴ See Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, DA 19-704 (July 25, 2019).

⁵ See National Lifeline Association Notice of Oral *Ex Parte* Presentation, WC Docket Nos. 17-287, 11-42, and 09-197 (dated April 4, 2019) (NaLA *Ex Parte*) ¶ 9; see also NARUC Resolution ¶ 17.

I emphasized and reported on some statistics evidencing the failure of the verifier in hard launch states revealing the dramatic nationwide drop in Lifeline reverification of subscribers in hard launch states coupled with an average decline in new enrollments of eighty to ninety percent largely because all the states databases were not accessible. Most people are not being dropped because they are not eligible; most are dropped or not enrolled because of technical flaws and system verification failures evidenced by the fact that after multiple attempts to enroll, many people are approved.

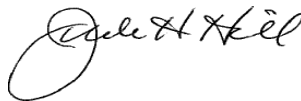
In the private sector companies pause rolling out new technologies until it works. The FCC should require the same, otherwise, the very low-income Americans it was designed will continue to suffer. Furthermore, eligible subscribers' difficulties enrolling and accessing lifeline services the program was created to offer make it much more difficult for them to find or keep a job, access or participate in the FCC telehealth pilot or access emergency first responders.

I acknowledged the Commission's stated efforts to quickly improve the national verification process. However, for these reasons and those previously stated in TruConnect filings, I emphasized the critical and immediate need to suspend the hard launches in states and revert existing hard launch states to soft launch to provide time to confirm secure and operable access to all state databases. Although gradual improvements such as "opening" of state databases helps and minor multiple step requirements for subscribers to interact with the verifier may be deemed helpful, it is best to fully suspend and ensure that the verifier truly works as intended.

We concluded our conversations by expressing a desire to actively and constructively help the Commission achieve their stated objectives and again emphasized the urgency to grant the Joint Petition and suspend the roll-out of the National Verifier hard launch so the populations targeted for these initiatives can fully benefit and the original intent of the Lifeline program will continue to be met.

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,



Judson H. Hill, Esq.

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cc:

William Davenport, Chief of Staff and Legal Advisor

To Commissioner Geoffrey Starks

Randy Clark, Acting Legal Advisor for Wireline and Public Safety

⁶ See, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016) ("*Lifeline Modernization Order*").

⁷ Q LINK Comments at 12 (citing "Cell Phone & Service Buying Guide," Consumer Reports (last visited July 30, 2019)).